

Beirut disaster highlights dangerous ammonium nitrate stockpiles in regional Australian city

By Patrick Davies
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Last week's catastrophic explosion of 2,750 tons of ammonium nitrate at Beirut port has drawn fresh attention to the storage of up to four times this amount at Orica's Kooragang plant in New South Wales (NSW). The facility is 800 metres from residential areas in the Newcastle suburb of Stockton and just three kilometres from the regional port city's central business district.

The disaster in Lebanon, which killed over 200 people and injured 5,000 others, shows that the potential exists for a similar catastrophe in Newcastle. Orica stores between 6,000 and 12,000 tonnes of ammonium nitrate at its Kooragang facility.

Industrial explosives expert Tony Richards, a former blast operations manager for Orica and BHP, told the *Newcastle Herald* last week: "It doesn't matter how small the risk is, the consequences are catastrophic when you are dealing with something that can turn solid iron mountains into mounds of rubble." Richards estimates 40,000 people live within the blast zone, if an explosion was to occur in Newcastle.

Orica is one of the world's biggest manufacturers of mining and commercial explosives, and other chemical products used in mining, water treatment and other industries. Ammonium nitrate produced at Kooragang is used primarily for explosives in the coal mining industry in nearby Hunter Valley.

The highly-profitable company is allowed to operate, despite the real dangers, because its products are indispensable to local mining activities. Orica's Kooragang plant and its Botany facility south of Sydney have a dangerous history of chemical leaks and operating-licence breaches.

On August 8, 2011, up to 10 kilograms of the

carcinogen hexavalent chromium leaked from the Kooragang facility, showering homes in Stockton with a toxic red and yellow substance. Nearby residents were not informed of the leak by Orica or government authorities for 54 hours.

While under investigation for the first leak, a second spill occurred on November 9, 2011, involving the release of hundreds of kilograms of ammonia. The fumes drifted into nearby suburbs resulting in two workers at a rail yard being hospitalised.

Subsequent inquiries by the NSW and the federal governments into these leaks were a whitewash. They were designed to shield Orica from community anger and politically protect Liberal and Labor state governments who allowed the company to continuously violate basic safety requirements.

The Kooragang facility breached its operating licence hundreds of times in the decade prior to the 2011 leaks, including by dumping effluent containing arsenic into the Hunter River. In September 2011, mercury vapours were released into the atmosphere at Orica's Botany facility.

In 2014, Orica, which made \$602.5 million profit that year, was fined just \$768,000 by the NSW Environmental Protection Authority (EPA) over the chemical spills and safety breaches in 2011 at its Kooragang and Botany sites. The fine was slightly more than the median price of a house in Sydney at the time.

Stockton residents have been raising concerns for years over Orica's toxic leaks in 2011 and called for the plant to be relocated away from populated areas and closer to the mines.

Chemical engineer and community campaigner Keith

Craig, told the Australian Broadcasting Corporation last week that it was a “totally inappropriate place to have such a dangerous material produced and stored... many people would be killed and injured if we had an accident at Orica.”

Australian Prime Minister Scott Morrison last week attempted to play down the dangers of a Beirut-like disaster in Newcastle insisting that “the regulations here in Australia are very strong.” These assurances, given Orica’s violation of environmental policies, are worthless.

While ammonium nitrate normally becomes explosive when it comes into contact with fuel or oil, it can erupt due to shock, fire or contact with a contaminant.

Orica claims to adhere to all state and federal regulations and insists its stockpiles are adequately contained by fire proof materials and separated by designated exclusion zones.

The company’s comfortable arrangements with state government authorities increase the danger of complacency towards safety regulations. This relationship is underpinned by Orica’s production of explosives for coal mining amid the state’s dependence on royalties from the sector amounting to around \$1.6 billion annually.

Orica is also not the only company storing vast quantities of ammonium nitrate in close proximity to Newcastle. In 2012, the Crawfords Freightlines trucking company was found to have been storing in excess of its limit of 2,000 tonnes at its Sandgate facility west of Newcastle, just 500 metres from homes. The inspection also revealed poor chemical and dangerous goods storage. The EPA fined Crawfords only \$15,000 for the breaches.

The Beirut disaster is just the most recent deadly example of an ammonium nitrate explosion. Others include a 2015 explosion in the Chinese port of Tianjin, in which 800 tonnes of ammonium nitrate were detonated. Some 165 people died and almost 800 more were injured.

In April 2013, 15 people were killed and 200 wounded when 240 tonnes of fertiliser at a plant in West, a city in the US state of Texas, exploded. Around 80 houses and a school were destroyed.

In 2001, a fire at a fertiliser plant in Toulouse, France resulted in the explosion of up to 300 tonnes of

ammonium nitrate, killing 31 people and injuring over 2,400. The blast shattered windows up to 3 kilometres away.

The deadly explosion in Beirut is another clear warning that large stockpiles of ammonium nitrate are catastrophes waiting to happen while this industry, and the giant profit-making corporations that run it, are protected by capitalist governments.

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